

Does KAM have a dark side?

Friday 28th May

11:15-12:15 pm BST | 12:15-1:15 pm CET



a4kam.org

KAM
The Association for
Key Account Management

Webinar protocols

Questions will be answered at the end of the presentation.

Please ask your questions by typing into the [Q&A](#).

- (see bar at bottom of Zoom screen)

If you would like to ask a question verbally, please make us aware using the chat box or by using the raise your hand feature.

Please email info@a4kam.org if you have questions afterwards.

The webinar will be recorded and available on the website in Member Resources.

There are no participant videos on for this webinar.

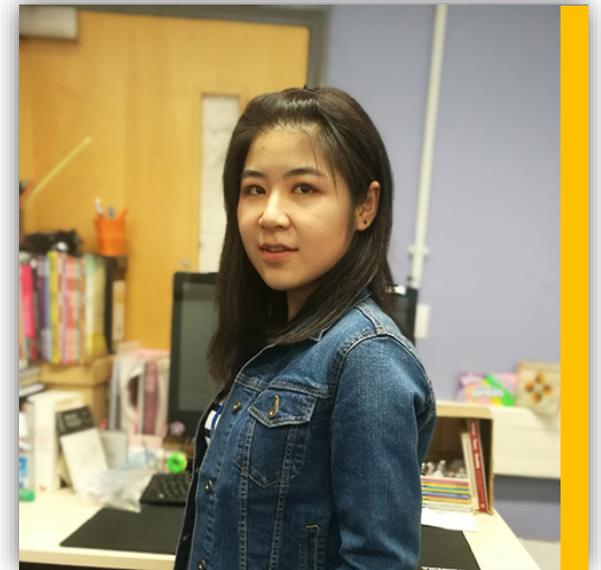
Dr Nima Heirati | Associate Professor

Dr Nima Heirati is an Associate Professor of Marketing at the Surrey Business School, University of Surrey. He is also Visiting Academic at the Queen Mary University of London. Before joining academia, Nima held positions as the marketing manager and business development manager.



Yumeng Zhang | Research Assistant

Yumeng Zhang is a PhD candidate and a research assistant at the School of Business and Management, Queen Mary University of London, UK. Her research focuses on relationship marketing and relationship portfolio management. She has published her research in leading journals such as the Journal of Business Research and European Journal of Operational Research.



Are KAM Practices Contagious?

*Yes, But Not Always in a
Good Way*

Yumeng Zhang, Stephan Henneberg,
Alexander Leischnig, and Nima Heirati



TECHNISCHE UNIVERSITÄT
BERGAKADEMIE FREIBERG

Die Ressourcenuniversität. Seit 1765.



Outline

About us

What is KAM?

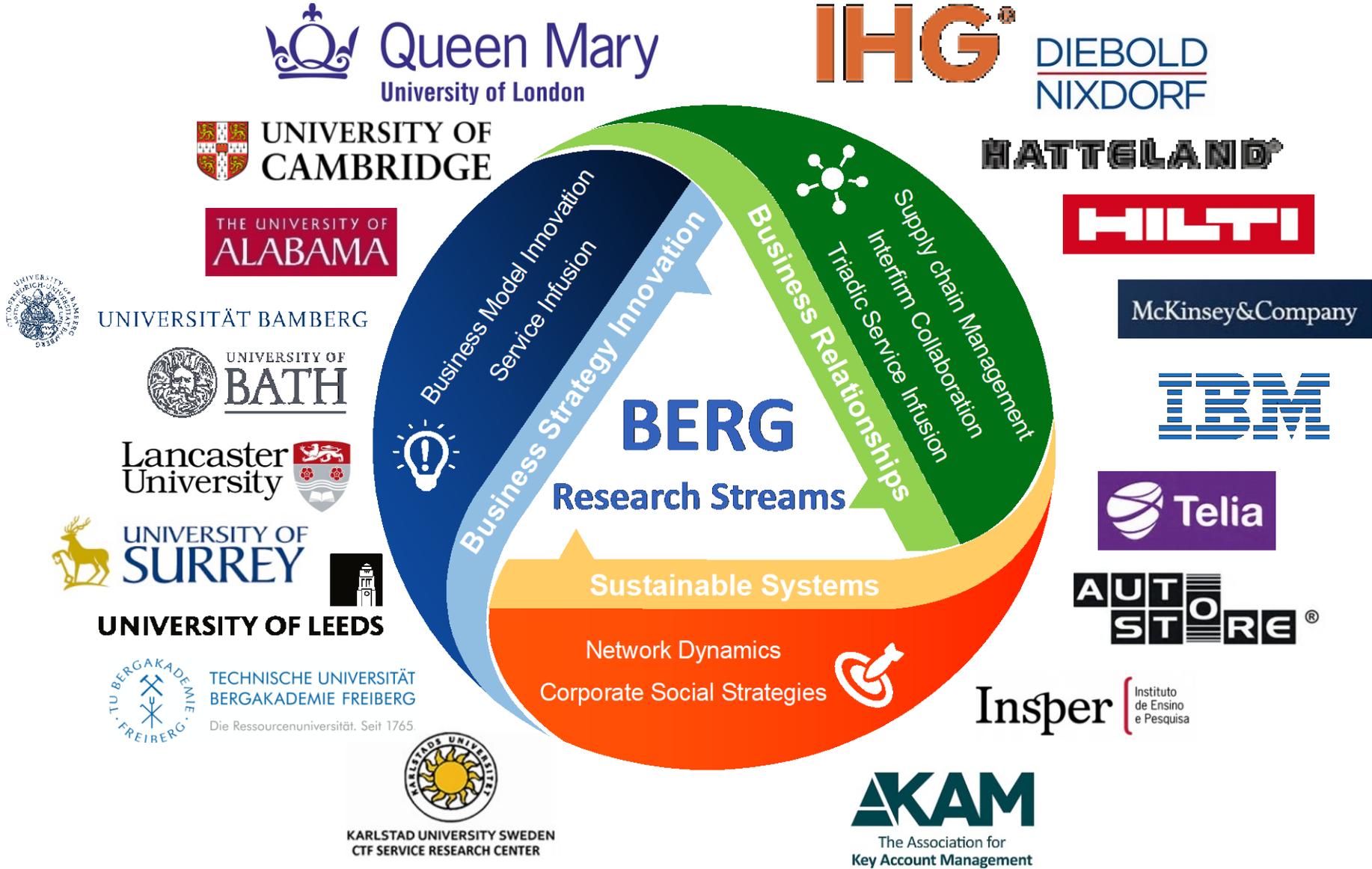
What is the dark side of business relationships?

Dark-side-effect contagion

Findings of a research from AKAM's members

How to mitigate the spread of dark side

Business Ecosystem Research Group (BERG)



What is KAM?

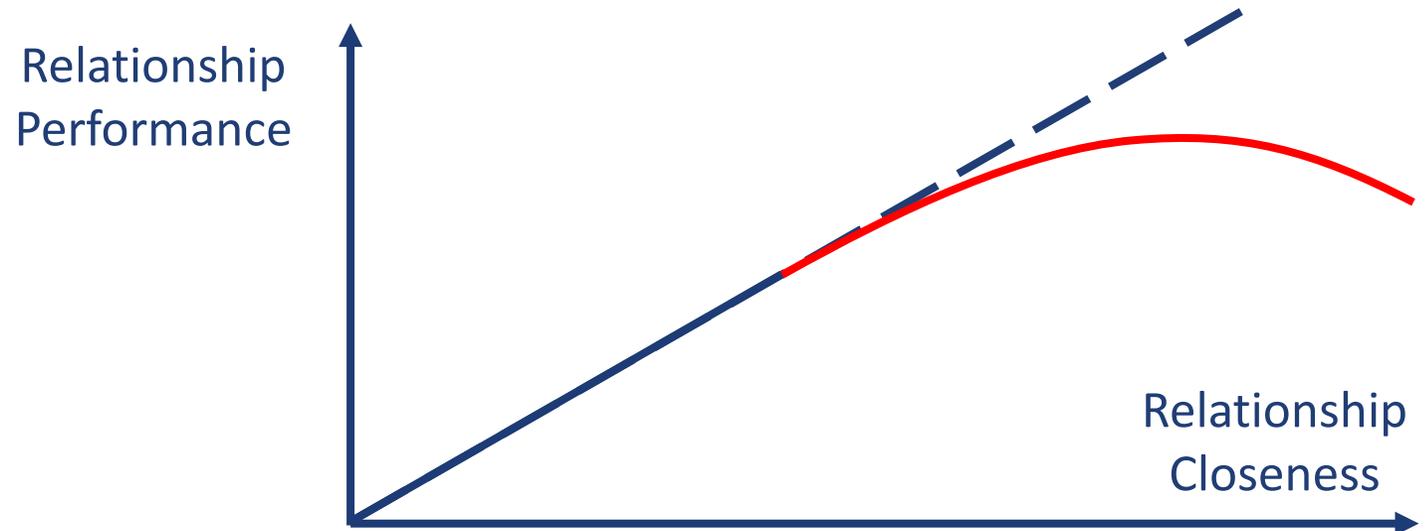
- **Key account management (KAM)** is the process of developing and managing close and strong business relationships that creates value for both supplier and strategically important customers.
 - A **key account manager** is responsible for the supplier's business with at least one key account **(and unprecedented associated challenges)**.
- **Challenge: Are all close and strong business relationships ALWAYS beneficial?**



What is the Dark Side of Business Relationships?

- The very factors that make business relationships beneficial can also make a relationship vulnerable to deterioration (e.g. trust, commitment, relational norms, inter-dependence, relationship investment)
- **Dark side** occurs when the benefits of a strong and close relationship decline and ultimately the relationship becomes vulnerable to deterioration.

The dark side of business relationships represents a situation in which ever closer relationships show decreasing performance due to factors that work as performance drivers in less close relational arrangements.



What is the Dark Side of Business Relationships?

Opportunism

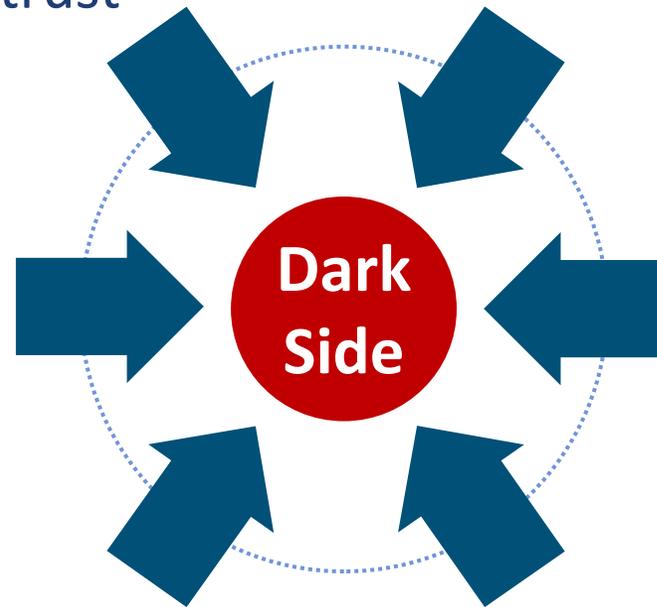
Taking advantage of close business relationships due to excessive trust causing neglect of monitoring

Conflict

Increasing conflict between business partners due to increased information about each other

Exclusiveness (lock-in)

Prioritising a business relationship precludes exploiting other (possibly better) opportunities



Rising Expectations

Partners' rising expectation that can be increasingly difficult to satisfy

Cognitive bias

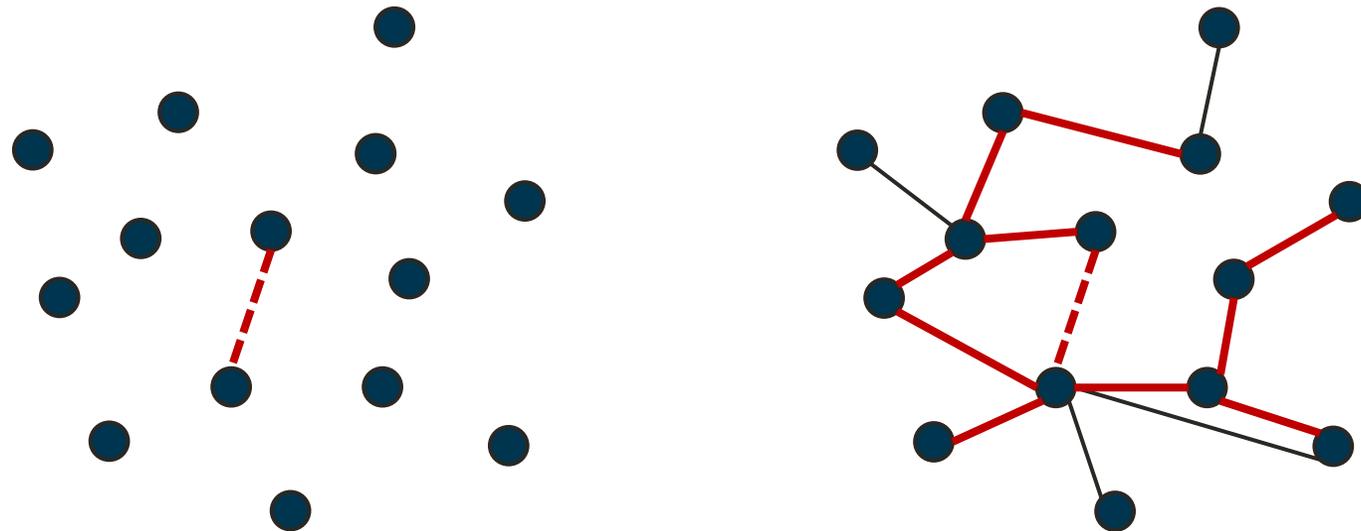
Deviation from rationality in relationship judgment when partners create own 'subjective reality'

Relational embeddedness

Partners' activity or resource control is constrained due to increased dependence

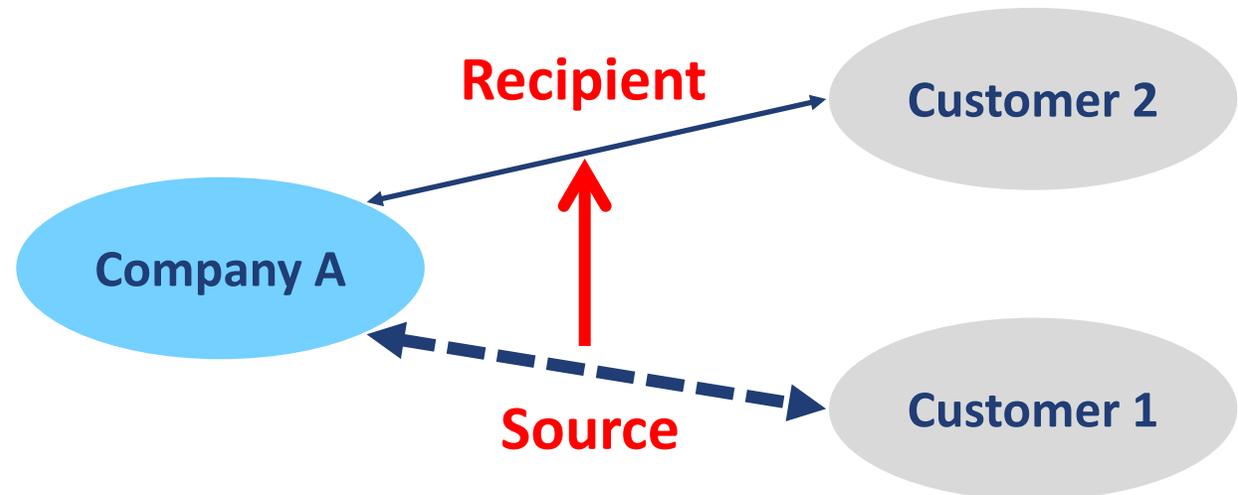
Dark Side in Business Networks

- Business relationships are often part of wider relationship portfolios and networks, and the characteristics of one relationship may have implications for other relationships. Thus, the question exist:
 - Does the dark-side effect remain contained within a dyadic relationship? or...
 - Does the dark-side effect spread and affect other business relationships?



Dark-Side-Effect Contagion

- A process by which dark-side effects spread from one business relationship to other relationships.



See our research

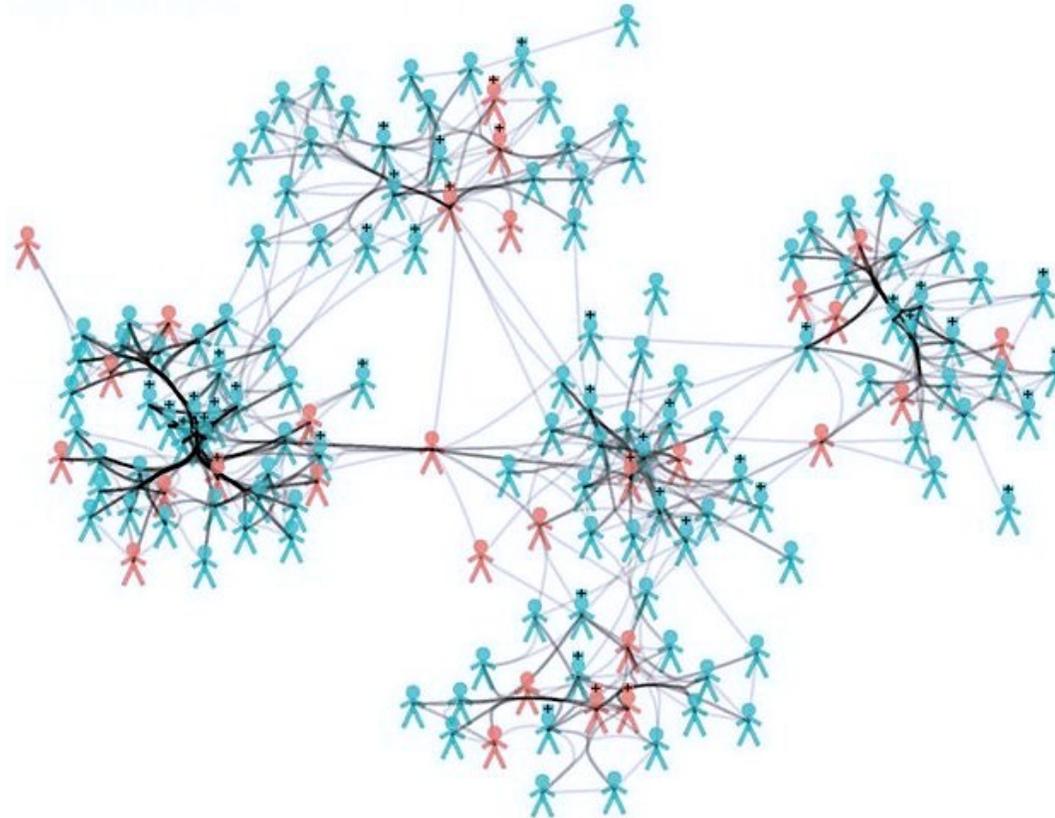
Zhang, Y., Leischnig, A., Heirati, N., & Henneberg, S. C. (2021). Dark-side-effect contagion in business relationships. Journal of Business Research, 130, 260-270.

Dark-Side-Effect Contagion

Where

Locus

- Intra-portfolio
- Inter-portfolio
- Wider network



How

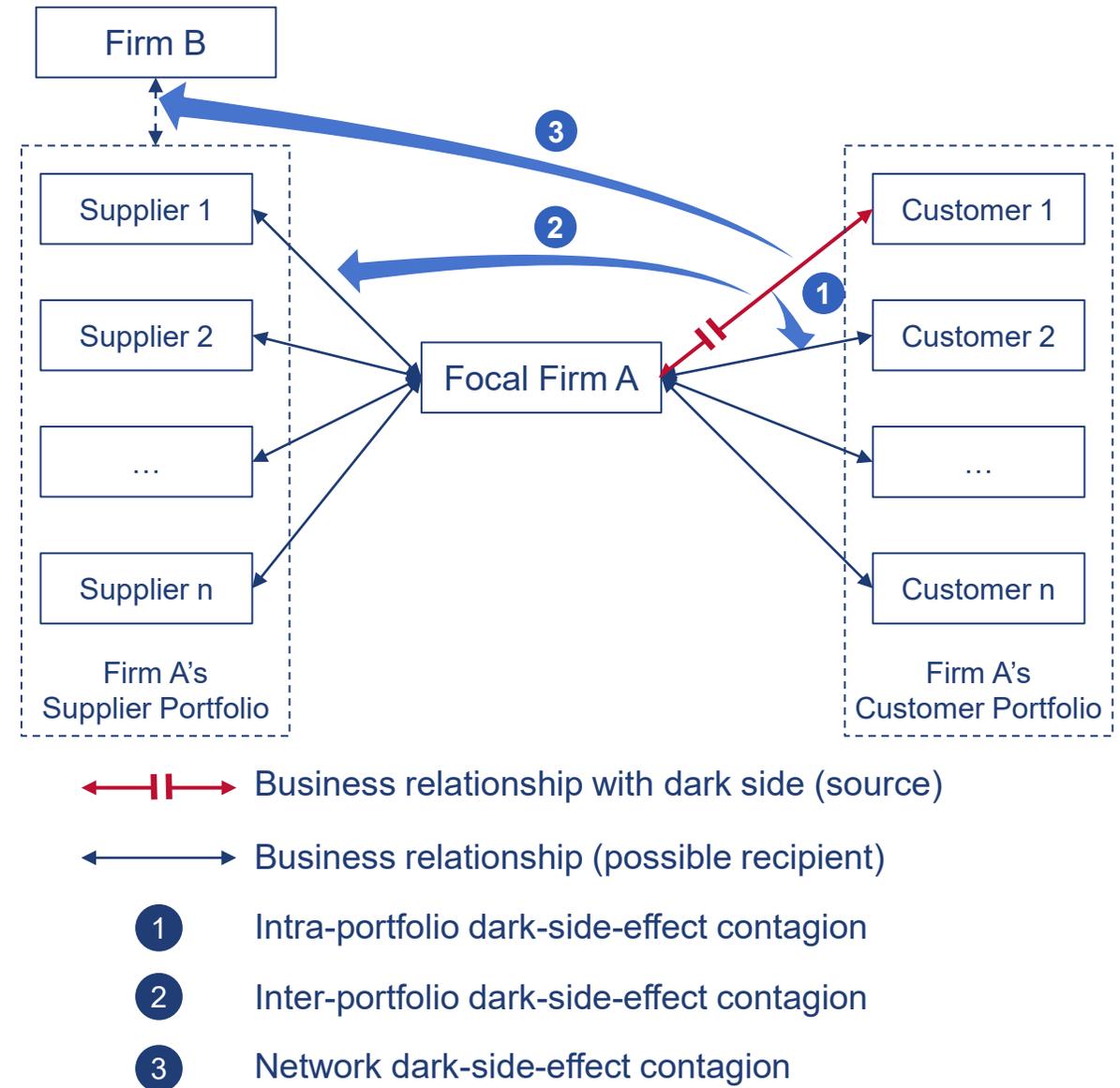
Mechanisms

- Intra-personal
- Inter-personal

Locus of dark-side-effect contagion refers to the **source** and **recipient** of the contagion, i.e. from **where (which business relationship)** it emanates, and to where it spreads.

Examples

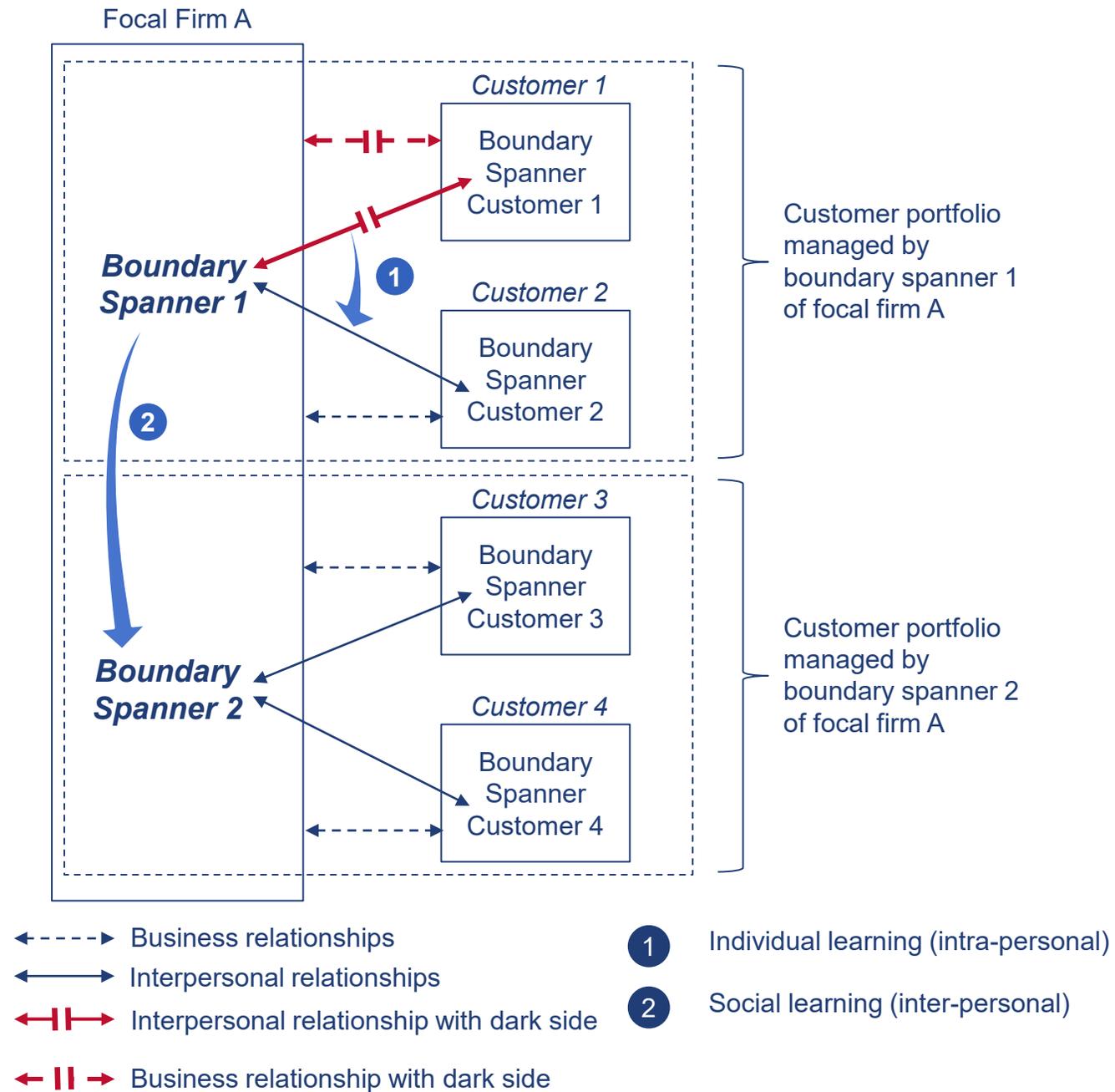
- Have you applied 'best practices' learned in one business relationship to another relationship?
- Have you shared your knowledge and experience with other boundary spanners within or outside of your organisation?



Mechanism of dark-side-effect contagion refers to the **process** of the contagion, i.e. **how** the dark-side effect spreads.

Examples

- How do you learn 'KAM practices'? From other KAM managers?
- How do you share your related experience with others? (e.g. frequent meetings in the department, presenting at AKAM)
- What do you learn from other KAMs? (e.g. how to build trust and relational norms, how to monitor a client)



Findings of a Research from AKAM's Members



Findings from Research with AKAM's Members

1st-order concepts

2nd-order themes

3rd-order themes

Aggregate dimensions

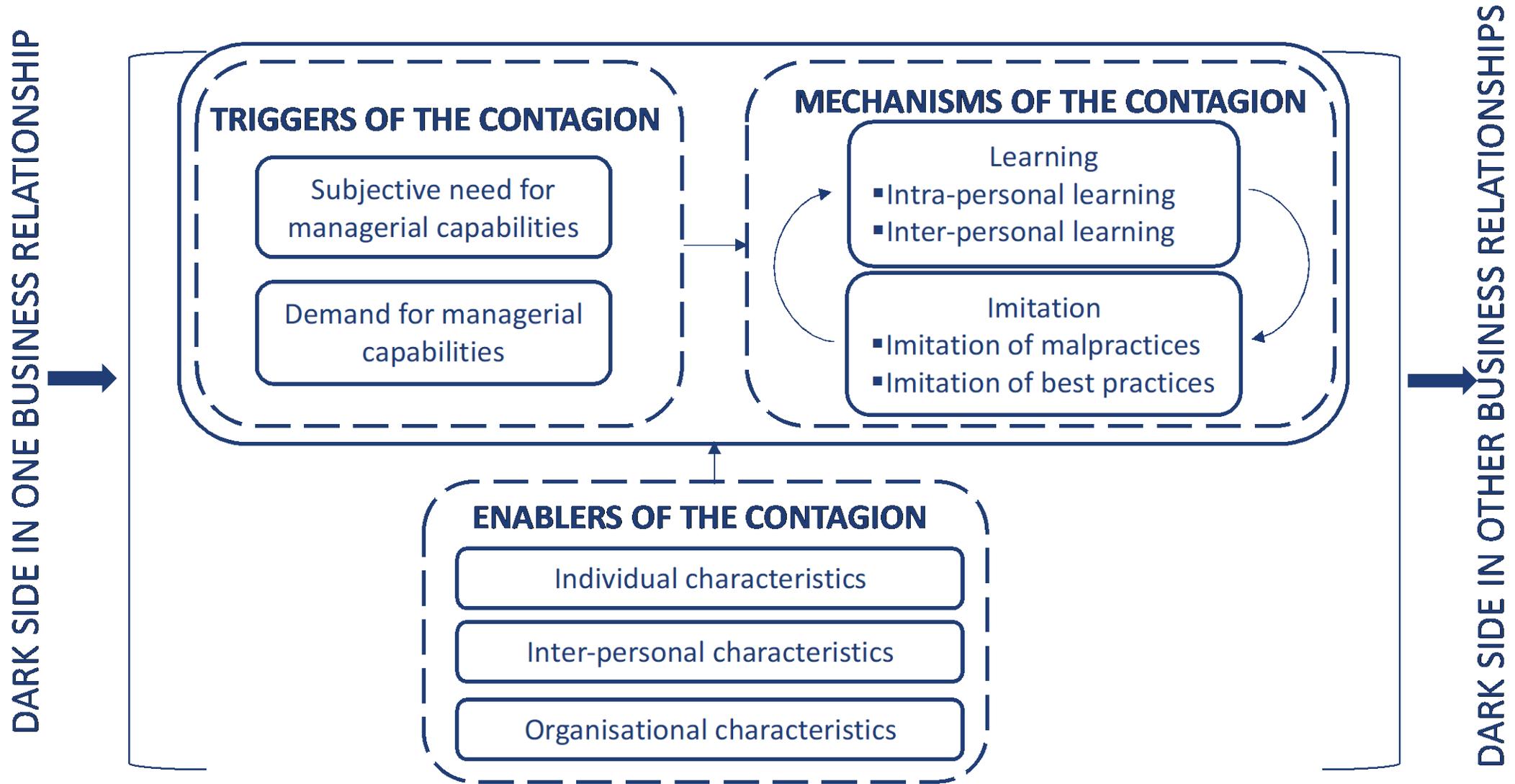
- Seeking for solutions when facing a certain problem; Seeking for knowledge about the products; Seeking for knowledge about customers' organisations, and corresponding representatives
- Seeking for opportunities to extend the social network
- Dealing with different customers requires adaptive skills
- Exchange partners' rising expectation or requirement from the close relationships; The managers can turnover and change to other organisations
- Persistent threats from the competitors; Technological advancements that change the industry and management process
- Individuals' tendency of seeking to increase their knowledge and skills and educate themselves; Individuals' tendency to cover up their own mistakes
- Managers have long-term experience to manage business relationships; The leader of the team is regarded as a role model for other managers
- Individuals' ability to interpret and assimilate the knowledge or skills; Individuals' knowledge stock on the related areas
- The responsibility related to teaching or learning from others
- The interdependence or interactions with others required by the nature of the work
- Frequent interactions and communication between individuals
- Cohesive relationship and trustiness between individuals
- Working in the same office; Similar hierarchical position between individuals
- Accumulating prior experience from other industries; Reflection on previous best practices and failures
- Experience exchange with colleagues from daily interactions such as lunch time or coffee break; Experience exchange with people in external activities; Experience exchange formally from workshops, review meetings, or training activities
- The formation of collective knowledge or skills to respond to a certain problem or relationship partner as transactive memory; The storage of experiences and skills as individual memory
- Imitating opportunistic behaviours to avoid managers' obligations; Imitating corruptive behaviours
- Replicating behaviours or strategies that worked in the past; Practicing certain strategies as role-playing in the training session

- Solution seeking
- Network seeking
- Relationship volatility
- Environment volatility
- Learning orientation
- 'Celebrity' or prestige
- Absorptive capacity
- Interactions
- Friendship
- Proximity
- Learning climate
- Intra-personal learning
- Inter-personal learning
- Imitation of malpractices
- Imitation of best practices

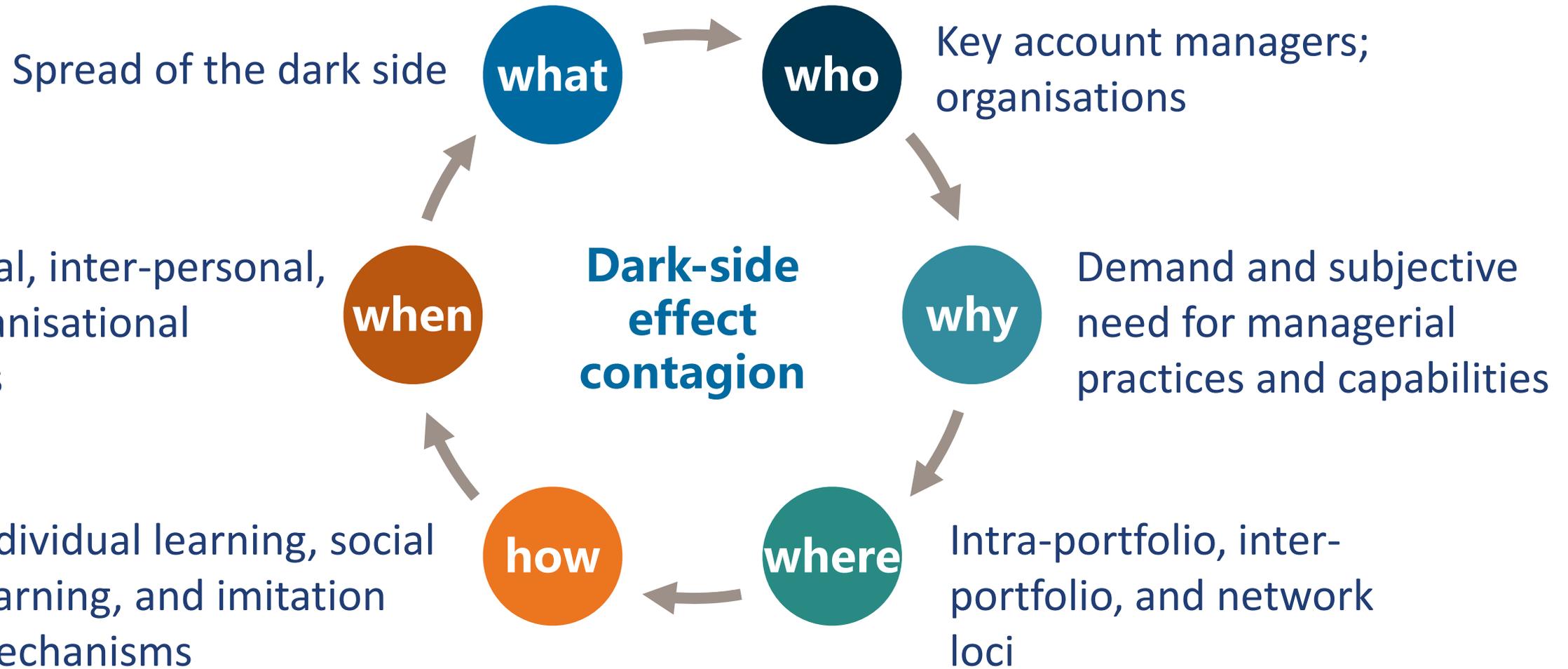
- Subjective need for managerial capabilities
- Demand for managerial capabilities
- Individual characteristics
- Inter-personal relationships
- Organisational characteristics
- Learning
- Imitation

- Triggers of the contagion
- Enablers of the contagion
- Mechanisms of the contagion

Findings from Research with AKAM's Members



Summary of Findings



How to Mitigate the Spread of Dark Side

Recommendations for **Account Managers**

- Employ a combination of formal and informal mechanisms to mitigate the emergence of dark side (e.g. avoid excessive trust in business) relationships.
- Avoid blind imitation: 'Best practice' is not always the best, sometimes it may work for an account manager but not the organisation.
- Stay vigilant and assess whether the current practices are still effective.



How to Mitigate the Spread of Dark Side

Recommendations for **Senior Managers**

- Evaluate the potential locus of the contagion.
- Best-practice dissemination must be done carefully. Junior account managers often start out by imitating and learning from veterans.
- Senior managers should learn how to filter or “cleanse” shared knowledge to avoid the dark-side-effect contagion trap.
- Stay vigilant and assess whether the current practices are still effective.



Thank You

We need your contribution to complete the final study.

Please contact us:
yumeng.zhang@qmul.ac.uk



Next Webinars



Vested contracts | **AKAM Members only**

Friday 18th June 2021 | 11:15-12:15 pm BST | 12:15-1:15 pm CET

David Frydinger

Strategic conversations: from supplier-customer to partnership | **AKAM Members only**

Friday 9th July 2021 | 11:15-12:15 pm BST | 12:15-1:15 pm CET

Dr Régis Lemmens